



MEMORANDUM

To: Members of the House Committee on Natural Resources, Great Lakes, Land Use, and the Environment

From: Doug Roberts, Jr., Director of Environmental and Regulatory Affairs

Subject: SB 850-852 (Water Legislation)

Date: 1/25/06

The purpose of this memo is to inform you that the Michigan Chamber of Commerce **supports Senate Bills 850-852 and 854** as approved by the Michigan Senate. This legislation, sponsored by Senators Birkholz, Patterson, Van Woerkom, and Basham amends the Natural Resources and Environmental Protection Act to establish reasonable water withdrawal standards.

We rely on water for generating electricity, irrigating farms, manufacturing, recreation, and to supply homes, schools, and business. Clearly, water is one of Michigan's greatest assets and, if properly used, it is a resource that can be replenished. Unnecessary regulation on water use could negatively impact Michigan's economy.

Balance of Economic and Environmental Interests

The Michigan Chamber believes that Senate Bills 850-852 properly balances the need for economic development and environmental protection. The legislation sets a standard to protect unique natural resources like trout streams and limits permits to the very largest users (new uses above 2 million gallons per day). SB 850-852 is in direct contrast with previously discussed legislative proposals, such as the "Water Legacy Act", which would have created a costly and burdensome permit program for thousands of water users while providing little benefit to the environment.

Need for Certainty in Michigan Law

Recent court cases have brought into question Michigan water law. There is a high degree of uncertainty related to Inland Lakes and Streams Permits and the ability of water users to submit factual data to demonstrate reasonable use. SB 850-52 would improve certainty for water users who must make business decisions by clarifying that Inland Lakes and Streams Permits are not needed for water withdrawals and by setting measurable standards to determine Adverse Resource Impacts. Without this certainty, future water users may be discouraged from locating in Michigan.

The Michigan Chamber would like to applaud Senator Birkholz and her staff for all of their efforts to develop this common sense water use legislation and Chairmen Palsrok for allowing these bills to be brought before the committee. We encourage you to support SB's 850-852, and SB 854.

If you have any questions, please feel free to contact me at (517) 371-2100.